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QUESTIONS AND ANSWERS CONCERNING GAO AUDIT AS DISCUSSED
WITH THE DD/S, ASSISTANT DD/S, GENERAL COUNSEL, DD/S
LIAISON OFFICER [REDACTED]
COMPTROLLER AND DEPUTY COMPTROLLER

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Section I. General

A. Working Arrangements

1. Q. Will the GAO auditors be given full freedom of movement throughout the Comptroller's Office?

A. (Col. White) Not initially, should be escorted; however, impression should not be given that they are being restricted. Maybe after four to six months or so as the audit progresses this will be modified.

2. Q. Will the discussions with the GAO representatives normally be carried out at the branch level, except in the Finance and Industrial Contract Audit Divisions?

See Amend. #2, paragraph 2.
A. (Mr. Saunders) Yes, including a desk audit.
(Col. White) With respect to Finance, I don't believe that too much time should be taken, no more than an hour briefing by the Chief, further, no information should be given with respect to clandestine activities that would in any way set a precedent or open the way to more information being desired. For example, no sanitized versions of project outlines, etc. should be considered.

3. Q. Will information requested by and furnished to the GAO auditors be coordinated and controlled through a central point or by a designated individual?

25X1A9a A. (Col. White) Yes. [REDACTED] is temporarily the Agency liaison. Comptroller should also appoint someone to be liaison for Comptroller's Office. [REDACTED] is to maintain an accurate and up-to-date record of anything furnished GAO. In order to avoid any misunderstanding, a written record should be maintained of all discussions held with GAO representatives as well as a record of information furnished to them.

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4. Q. Will a specific office or individual be designated to act for and on behalf of the Director?

25X1A9a A. [REDACTED] is temporarily designated as liaison. (This presumably is because GAO is presently concerned only with DD/S activities.)

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B. Accounting Activities

1. Q. Will all the Headquarters [REDACTED] regulations be made available?

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A. As a general rule, regulations will not be made available. Some specific regulations may be made available but they would first be screened. This would also apply to the [REDACTED] under which we operate.

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2. Q. [REDACTED]

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A. [REDACTED]

3. Q. Will all Comptroller Instructions and Notices and Division Operating Procedures be made available? If not all, will only those pertaining solely to vouchered funds be made available?

See Amend. #2, paragraph 4. A. Comptroller issuances applying only to the Fiscal Division may be made available. All other issuances must be reviewed.

4. Q. [REDACTED]

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A. [REDACTED]

5. Q. Will information be made available that reflects the overall accounting system of the Agency's activities and the relationship of the vouchered and confidential funds accounting controls?

See Amend. #1, re: Audit report. A. Information with respect to the overall accounting system of the Agency as reflected in the accounts of the Fiscal Division will be made available; however, no details of confidential funds activities or vouchered funds activities closely identified to clandestine activities will be made available.

6. Q. Will the Charts of Accounts of both vouchered and confidential funds be made available?

See Amend. #2, paragraph 4. A. Fiscal Division yes. Finance Division no.

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7. Q. Will all the accounting records covering vouchered funds activities be made available? Will the general ledger which reflects the total appropriation be made available? Will vouchered funds payroll records be made available? Accounting reports?

See Amend. #3,
paragraph 4,
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A. Generally yes. However, data and supporting documentation relating to general ledger account 137 and information relative to advances and reimbursements to other U. S. Government Agencies will not be made available. Payroll records may be made available except for details pertaining to [REDACTED] and all of DD/P, but an investigation of the utilization of any personnel paid by Fiscal will not be permitted. Accounting reports will be made available except for information pertaining to Advances to Other U. S. Government Agencies and Reserve transactions.

8. Q. Will any of the confidential funds records be made available? Any accounting reports? Any information with respect to confidential funds payroll?

A. No.

9. Q. Will the Agency consolidated statistical and financial reports be made available?

A. In summary form only, but not in the present form. Certain line items would be consolidated in the summary which would be given to GAO.

10. Q. Will financial data that reflects the nature, size and location of field offices and activities be made available? DD/S, DD/I and DD/P?

A. DD/S - No, with possible exception of [REDACTED]
DD/I - Yes, except for confidential activities of contact offices.
DD/P - No.

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11. Q. Will project outlines, approvals, administrative plans and financial data be made available?

A. This question relates solely to confidential activities. The answer was an unqualified "NO."

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Section II. - Budgeting Activities

1. Q. Will the Agency budget be made available to GAO? If not the budget document itself, will summary data reflecting the total dollar amount of the budget document be revealed?
 - A. a. No.
 - b. Yes, summary data only by organizational segments of major components for DD/I and DD/S. DD/P total only.
2. Q. If not the entire budget, what portions will be made available? Intelligence? Cold War Activities?
 - A. No information on a program or activity basis as it is not considered necessary information for audit purposes. In this connection a distribution of support costs is made on a pro rata basis and could be subject to question.
3. Q. If not the entire Intelligence section, what specific portions will be made available? Overt collection? Covert collection? Production? Reference services?
 - A. Same as 2. above.
4. Q. Will any portion of the budget dealing with Cold War Activities be made available? PP Activities? PM Activities?
 - A. Same as 2. above.
5. Q. Will the organizational breakdown data be made available? If not in entirety, what sections? DD/I? DD/S? Any part of the DD/P? If this information is to be made available, to what level would this information be broken down? Will the number and types of employees attached to each organizational component be made available as to:
(a) In Washington? (b) In field offices or locations?
 - A. Yes, but only for the DD/I and DD/S and in summary for the DD/P. Also in the DD/I for certain sensitive activities, e.g., PIC, only totals. All information on the organization should be referred to Col. White before being released. (Col. White wants to clear with the DCI the release of information on total Agency personnel.) Information as to breakdown of the number and types of DD/S and DD/I employees assigned at headquarters and field offices or stations may be given on a limited basis but no such

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information for DD/P employees. (Note: This is not exactly consistent with the response given to the question concerning the vouchered funds payroll. See Section I. B. 7.)

6. Q. Will the Agency budget data by object class be made available? If not in entirety, which classifications will be revealed? Will the data for overseas stations be made available? Will any of the supporting data covering .08 and .09 be made available?

- A. a. Yes, by object class but not by sub-object. Total for DD/P only.
b. No data on overseas stations.
c. No detail on .08 and .09 except after clearance with DD/S.

7. Q. Will construction information relating to land and structures as shown in the budget be made available?

- A. No, except for data relative to the new CIA building, [REDACTED]

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8. Q. Will the data concerning reimbursements and advances to other U. S. Government Agencies and non-government entities be made available? If not in entirety, what are the types of activities with respect to other U. S. Government Agencies that information would not be made

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[REDACTED]
Non-government entities?

- A. Re: Other U. S. Government Agencies - No information should be made available that relates to clandestine activities. No information should be given relating to non-government entities.

See Amend. #3, paragraph 4.

9. Q. Will all the budget data concerning motor vehicles be made available? If not in entirety, will all information concerning covert vehicles be withheld?

- A. Budget data pertaining to overt motor vehicles only may be made available.

10. Q. Will the information covering aircraft be made available?

- A. No.

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11. Q. Will the data concerning research and development activities be made available?

A. No, except that supporting data relative to research and development activities conducted overtly may be made available for certain selective activities.

12. Q. Will the data covering the analysis of average salaries and super-grades by organizational units be made available?

A. Yes, except for DD/P, however, only after clearance by DD/S who may have to clear with the DCI.

13. Q. Will the data pertaining to the Contingency Reserve be made available? Only summary data?

See Amend. #3, paragraph 4. A. Summary data pertaining to the Contingency Reserve may be made available but only after clearance by the DD/S with the Director.

14. Q. Will the methods and procedures covering budget execution be open for review by the GAO auditors? Will the primary budget control records maintained by the Office of Comptroller (Budget Division) be made available? If not in entirety, what part of the records will be made available? Just those related to the DD/I and DD/S activities? Any related to DD/P?

A. Agency control procedures and method of allocating and allotting funds in the DD/S and DD/I areas only.

15. Q. Will the files of project approvals be made available?

A. Only those pertaining to overt projects.

16. Q. Will the files covering regular and special reports to the Bureau of the Budget be made available?

A. Regular reports such as Apportionment Requests, Form 133, reports on status of funds and progress reports on financial plans may be revealed. Special reports should be cleared by Comptroller.

17. Q. Will the allotment control procedures be open for review by GAO? Allotment advice files? Allotment control records maintained by (a) the Fiscal Division (Vouchered Allotments)? (b) by allottees (Confidential Funds) on a selected basis?

See Amend. #3, paragraph 4. A. Yes, with respect to the procedures, allotment advice files and control records covering vouchered funds

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18. Q. Will the documentary support files to obligations against vouchered funds allotments be made available? Confidential funds obligations on a selected basis?
- A. Documentary support files to obligations against vouchered funds allotments may be made available, but nothing with respect to confidential funds activities.
19. Q. Will any of the detailed office estimates be made available? All or only part of the DD/S components? All or only parts of the DD/I? None for the DD/P components?
- A. Parts of the detailed office estimates (vouchered funds activities) covering DD/I and DD/S components may be made available after being sanitized. None for the DD/P components. (A stripped version of the Budget Estimate will need to be developed.)
20. Q. Can it be assumed that the NSC budget and supporting data will all be made available to GAO?
- A. Yes, NSC data may be made available.

Section III. - Nature, Investment and Location of the Agency's Assets

25X1A2g The following general types of Agency assets are recorded in the financial records. Detail subsidiary data and records for property and real estate (with the exception of that controlled by proprietary projects and [REDACTED] are under the control of the Office of Logistics. Details concerning all other assets are either under the direct control of the Office of the Comptroller or data is available to substantiate the account and establish audit trails to the controlling component.

1. Q. Property - May the dollar value, type and location of Agency property be revealed?
- a. Property in the U. S. by location?
- b. Property at overseas installations by location?
- A. Only in total dollar value and such information should be cleared with the DD/S. Type and location not to be revealed.
- a. No, except in isolated cases [REDACTED]
- b. No.

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2. Q. Real Estate - May the dollar value and type of Agency-owned, assigned and leased real estate be revealed?
- a. that located in the U. S.?
 - b. that located overseas?
- A. Same as 1. above.
3. Q. Funds - May the types, quantities, locations, depositories, controls, safekeeping facilities, the method of establishing and the purpose for which maintained be revealed for the following?
- a. Cash on Hand (U. S. dollars, foreign currencies and special commodity assets) [REDACTED] 25X1A
 - b. Cash in Bank [REDACTED]
 - c. Cash in Bank [REDACTED]
 - d. Cash with Funding Mechanisms?
- A. Emphatically no, only the total of the cash assets may be revealed.
4. Q. Other - May the nature, purpose, individual or entity, protective or supporting documents and amounts relating to the following be revealed?
- a. Advances to employees, agents and project activities?
 - b. Proprietary projects, investments in controlled activities, and investments in securities (project liquidation reserves)?
- A. No.

Section IV. - Internal Audit Activities

See Amend. #1,
re: Audit
program.

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